

**MINUTES
REGULAR MEETING
UTILITY SERVICE BOARD
JANUARY 20, 2015**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Tuesday, January 20, 2015.

The meeting was called to order by Chairman Wayne Schuetter.

UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:

Wayne Schuetter – Chairman
Rick Stradtner – Vice Chairman
Doug Schulte – Secretary
Alex Emmons – Wastewater Commissioner
Roger Seng – New Board Member
Dave Hurst – Water Commissioner
Keith Masterson – Gas Commissioner

ALSO PRESENT:

Jerry Schitter – Electric Distribution Manager
Ernie Hinkle – Gas & Water Manager
Ed Hollinden – Wastewater Manager
Bud Hauersperger – General Manager
Ashley Kiefer – Office Manager
Renee Kabrick – City Attorney

PLEDGE OF ALLEGIANCE (DVD-00:47)

Chairman Wayne Schuetter led the Pledge of Allegiance.

REORGANIZATION OF THE UTILITY SERVICE BOARD FOR 2015 & APPOINT COMMISSIONERS & COMMITTEES FOR 2015 (DVD-01:11)

Chairman Wayne Schuetter stated that it is time for election of officers and Utility Commissioners and he opened nominations.

Alex Emmons made a motion to nominate Rick Stradtner for Chairman, Doug Schulte for Vice Chairman, and Roger Seng for Secretary.

Emmons also nominated to keep himself as Wastewater Commissioner, Wayne Schuetter as Electric Commissioner, Dave Hurst as Water Commissioner, and Keith Masterson as Gas Commissioner.

Emmons also made a recommendation that Committee Assignments remain the same as 2014 based on the Commissioners.

Doug Schulte seconded the motion.

Wayne Schuetter stated that he has been the Chairman of the Utility Service Board for the last five years. He said it has been a very rewarding experience and at times challenging. Schuetter thanked the Utility Service Board and said it has been an honor working with all sitting on the dais and looks forward to continue working with them as Electric Commissioner.

Motion approved, 7-0.

CHAIRMAN STRADTNER COMMENTS (DVD-3:35)

Chairman Stradtner expressed his sympathy, on behalf of himself and the Board, to Jackie Bockelman and Rick Bockelman for the passing of Mike Bockelman on Sunday morning. Both Jackie and Rick are employees of Jasper Municipal Utilities. Chairman Stradtner asked for a moment of silence.

Chairman Stradtner thanked all the Board members for accepting their roles for the upcoming year. Stradtner thanked Wayne Schuetter on behalf of himself and the Utility Service Board for a job well done. He stated that Schuetter led the Board with a steady, fair hand and provided valuable insight over the past five years.

QUOTE OPENING: SMALL BUCKET TRUCK – ELECTRIC DISTRIBUTION (DVD-05:12)

Hauersperger stated that two quotes were received for the small bucket truck. He opened the quotes and read them aloud as follows:

1. Altec Industries, Inc. Creedmoor, NC	\$157,411.00 - <u>5,500.00</u> (trade-in) \$151,911.00
2. Sternberg Chrysler Center Jasper, IN	\$162,207.00 - <u>5,000.00</u> (trade-in) \$157,207.00

All quotes included a Non-Collusion Affidavit, an Indiana Legal Employment Declaration, a Nepotism Policy Affirmation and an Affidavit Regarding Non-responsibility.

Jerry Schitter stated that he did request a third quote from Terex. Their company has a new policy, which says they can't submit bids with trades older than 2005, and the vehicle we are trading is a 1995. Schitter said that he would take the quotes under advisement and report back to the Board next month with a recommendation.

APPROVAL OF MINUTES (DVD-11:01)

Chairman Rick Stradtner presented the minutes of the December 15, 2014 Regular Meeting and there being no corrections or amendments, asked for a motion to approve the minutes. Wayne

Schuetter made a motion to approve the minutes of the meeting as presented. Dave Hurst seconded the motion. Motion approved, 7-0.

MAYOR SEITZ (DVD-11:20)

Mayor Seitz thanked Wayne Schuetter for his leadership as Chairman of the Utility Service Board for the last five years. He also thanked Bud Hauersperger and Renee Kabrick for their contributing leadership role in announcing Jasper as a GigaCity last week.

Mayor Seitz encouraged the Board members and audience to support the Municipal side for Senate Bill #309 in the Indiana Legislature. Mayor Seitz stated that municipal utilities serve 7% of Indiana's electrical needs. Those complaining about municipalities serve the other 93%. Mayor Seitz strongly encouraged everyone to play a role before the deadline on May 12th.

APPROVAL TO UPDATE EMPLOYEE HANDBOOK – CALE KNIES, DIRECTOR OF PERSONNEL/SAFETY/LOSS CONTROL (DVD-15:36)

Cale Knies, Director of Personnel, Safety, and Loss Control informed the Board about updates to the Employee Handbook. Knies stated that several sections of the handbook had minor language changes. In addition to those sections, the Family Medical Leave section added additional leave for military obligations. The Travel Expenses section was also updated in regards to daily meal allowances. The new daily meal allowance is a not to exceed \$35 per day, including tips.

Knies thanked Attorney Kabrick for her help on updating the Employee Handbook.

Doug Schulte made a motion to approve updating the Employee Handbook. Keith Masterson seconded the motion. Motion approved, 7-0.

ELECTRIC TERRITORY LEGISLATION (DVD-18:10)

Jerry Schitter stated that if the Board or anyone is interested in getting the municipality side of the ongoing legislation between the REMC and the municipalities, they can go to the IMPA website and click onto the Spotlight section. You can also go to the IMEA website under legislation and there are links to write letters to local legislators.

Hauersperger encouraged everyone to go to the sites and read the information. If after reading the information you feel it is a bad deal for the municipalities, please write your local legislators.

Chairman Stradtner stated that this is critically important to the economic viability of the municipalities. He stated that the Electric Consumer magazine article is offensive. Chairman Stradtner offered to write a letter to the legislature, on behalf of the Board, to stand up for the rights of the municipalities. The Board agreed to have Chairman Stradtner write a letter on the Board's behalf.

IMEA MEMBERSHIP DUES & SAFETY DUES FOR 2015 (DVD-22:20)

Jerry Schitter informed the Board that IMEA membership and safety dues for 2015 need to be renewed. The membership dues for 2015 are \$8,830.77, the same as last year. Membership dues

include two meetings per year, lobbying on a state level, and much more. Schitter stated that these dues are money well spent.

Safety dues for 2015 are also the same as last year at \$4,727.36. Safety dues include six trainings a year for lineman, substation, and meter employees.

Doug Schulte made a motion to approve paying the 2015 IMEA membership dues for \$8,830.77 and safety dues for \$4,727.36. Keith Masterson seconded the motion. Motion approved, 7-0.

ELECTRIC PLANNING COMMITTEE REPORT (DVD-25:08)

Wayne Schuetter, Chairman of the Electric Planning Committee, stated that the committee did meet January 16, 2015. At the meeting the Committee discussed updates for the Power Plant. Hayersperger stated that Requests for Expressions of Interest were sent out to over 20 companies. A few companies did come for a visit but they wanted Jasper to purchase the power that would be generated by the power plant. The City is not allowed to purchase power from anywhere but IMPA, per the City's IMPA contract terms. There were also 5 salvage companies interested in demolishing the plant and selling for scrap value.

Cardno also finished Phase 1 of the environmental assessment that was obtained through grant money. The City is waiting to see if Phase II of the assessment will be funded through the grant. Attorney Kabrick stated that the report from the Phase I assessment is the City's. There is no enforcement provision.

The Committee also discussed the annual inspection from IDEM which was completed in December. There were no violations found because there were no emissions from not running the Power Plant at all in 2014. It was noted that the City did not want to do stack testing in 2015. A letter will need to be written to IDEM asking for an extension for the stack testing until the future of the Power Plant is determined.

Hayersperger stated that Kent Bauer was transferred to the Water Department at the beginning of 2015 to a Water Filtration Operator position. Bret Kuebler is the last employee still assigned to the Power Plant.

Hayersperger stated that our insurance agent contacted him and said the City could save money if we drop insurance as a "Power Plant", and only insure for the salvage value of the property. Hayersperger said that both Cardno and August Mack could write bid packets to send out for bids from the salvage companies. Getting bids from the salvage companies could tell the City the value of the Power Plant to base the property insurance off of. The Committee will wait to decide on changing the insurance coverage on the Power Plant until salvage bids are received.

Alex Emmons made a motion to approve sending out bid packets to the salvage companies for the Power Plant. Keith Masterson seconded the motion. Motion approved, 7-0.

Hayersperger stated that the State Board of Accounts advises that the book value of the Power Plant be written off the books. The book value of the Power Plant/Heidorn property is \$3.3 million. The Committee then discussed waiting to see what kind of value comes back from the bids from the salvage companies.

The Committee also discussed the GigaCity Partnership with Smithville Telecom. Attorney Kabrick stated that there will only be a contract with Smithville on the build-out to all of the City's municipal buildings. There will be no City make-ready costs with this project. The engineering for the entire City build-out will take approximately 8 to 10 months to complete. The build-out to the City's municipal buildings will take approximately 120 days to complete. The City will be billing build-out costs to Smithville for any work that the City does.

UPDATE ON WATER TREATMENT PLANT UV PROJECT – DERICK WIGGINS
(DVD-32:16)

Derick Wiggins with Midwestern Engineers updated the Board on the UV Project at the Water Treatment plant. Wiggins stated that the past month weir box installation was completed and foundations were poured. They have also started installing the rebar and forms. Wiggins stated that they did take a couple weeks off around the holidays due to cold weather. Target completion date is the end of June.

Wiggins stated that he received a pay request from Mitchell and Stark, which is included in the claims for tonight's meeting, and does approve the request.

GAS PLANNING COMMITTEE REPORT (DVD-33:44)

Keith Masterson, Chairman of the Gas Planning Committee, stated the Committee did not meet during the past month.

WATER PLANNING COMMITTEE REPORT (DVD-33:50)

Dave Hurst, Chairman of the Water Planning Committee, stated the committee did not meet during the past month.

PERMISSION TO PURCHASE BACKUP RIGID CAMERA REEL (DVD-33:57)

Ed Hollinden asked for the Board's permission to purchase a backup Rigid camera reel for \$7,266.02 from Ferguson. Hollinden stated that the Capital Expenditure Plan amount for the camera reel was \$7,000. The cost of the camera reel did increase 6% from the price quoted to Hollinden last year. The company the camera reel is being purchased from is a sole source; therefore no other bids are required.

Dave Hurst made a motion to give Hollinden permission to purchase the back-up rigid camera reel for a not-to-exceed \$7,266.02. Doug Schulte seconded the motion. Motion approved, 7-0.

WASTEWATER PLANNING COMMITTEE REPORT (DVD-36:11)

Alex Emmons, Chairman of the Wastewater Planning Committee, stated the committee did not meet during the past month.

REMINDER ON NEXT REGULAR MEETING DATE (DVD-36:20)

Ashley Kiefer reminded the Board that next month's Utility Service Board meeting will be held on Tuesday February 17th, due to the President's Day Holiday on Monday February 16th.

CLAIM UPDATE (DVD-36:38)

Kiefer updated the Board regarding the claim from the Civil City for \$16,506.10 for joint departmental expenses for 2014 that was initially presented for approval at December's meeting. Kiefer explained that the difference this year compared to prior years is that the Personnel/Safety and Engineering departments had some larger capital expenditures this year, compared to previous years. The major expenditures that caused this need for a larger balloon payment at the end of the year were the purchase of a Ford F150 extended cab truck to be used by both Personnel and Engineering, the purchase of new CAD software, and new copy machines.

Kiefer explained that if the Board agrees to pay the claim, the claim is including in the claim docket for tonight's meeting, therefore no motion is necessary. The Board agreed to pay the claim.

UPDATE ON SCHEDULE FOR BEAVER LAKE SPILLWAY MODIFICATION (DVD-38:42)

Hauersperger reminded the Board that he received a schedule for the Beaver Lake spillway modification last month. Hauersperger stated that the City is still waiting on DNR to approve the modifications and give the City the permit to proceed. A Wage Determination Hearing was held in early January.

Hauersperger also discussed lake levels with the Park Department. They recommended that it would be better to wait until after Labor Day to draw the lake down for construction. Therefore the lake will be at a useable level for the residents throughout the summer months.

Hauersperger hopes to have bids in time for the March Utility Service Board meeting. A Special meeting will be scheduled to award the bid. The Board has already approved bid packets to be sent out. Hauersperger stated that the project will not be approved until the bids are reviewed and the costs are analyzed.

BEAVER VALVE (DVD-42:36)

Hauersperger informed the Board that with the new valve at the spillway there are new procedures. The new valve can be opened once and left alone to drain to the maintained winter pool level. Hauersperger stated that December 1st will be the set date that the valve will be opened each year to drain the lake to winter pool level. We will have to wait and see on the closing date depending on the weather.

PHONE SYSTEM RFP'S (DVD-44:19)

Hauersperger stated that Requests for Proposals for the City Hall phone system will be sent out sometime next week.

FINANCE COMMITTEE REPORT & PRESENTATION OF CLAIM DOCKET (DVD-44:30)

Doug Schulte reported the Finance Committee had met and reviewed the claims on the Claim Docket.

The Finance Committee recommended approval of the claims as presented.

Wayne Schuetter made a motion to approve the claims as presented. Dave Hurst seconded the motion. Motion approved, 7-0.

CHANGES TO WATER ORDINANCE (DVD-45:13)

Attorney Kabrick informed the Board that in 2013 the Water Ordinance was revamped. Since that time the Utility Business Office has reviewed the Ordinance and recommended that some changes be made. Most of the changes are housekeeping changes; making sure that the language is uniform throughout the Ordinance. Attorney Kabrick reviewed, with the Board, the major changes that were made to the Water Ordinance.

Wayne Schuetter made a motion to approve Resolution USB 2015-1, regarding changes in the City of Jasper Water Ordinance with regard to the rules, regulations, and penalties that shall apply to, govern, and control the operation of the waterworks system of the City of Jasper. Dave Hurst seconded the motion. Motion approved, 7-0.

There being no further business to come before the Board, the meeting was adjourned at 7:56PM upon motion by Alex Emmons and seconded by Keith Masterson. Motion approved, 7-0.

The minutes were hereby approved _____ with X without corrections this _____ day of _____, 2015.

Attest: _____
Secretary Chairman